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Polk County Iowa
JULIE M. HAGGERTY RECORDER
File# 2009-00014035
BK 12760 PG 654-676

THIS DOCUMENT PREPARED BY AND WHEN RECORDED RETURN TO:
RETURN TO: James M. Gocke, 210 N.E. Delaware Avenue, Suite 200, Ankeny, Iowa 50021; (515) 965-1200

**DECLARATION OF HOMEOWNERS' ASSOCIATION FOR BRIDGE CREEK,
GRIMES, POLK COUNTY, IOWA**

This Declaration is made this 28th day of May, 2008, by Bridge Creek, L.L.C., an Iowa Limited Liability Company, ("Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the City of Grimes, Polk County, Iowa, as described in Exhibit "A" attached hereto ("Property"); and

WHEREAS, Declarant desires to develop the Property as part of a planned community known as "Bridge Creek"; and

WHEREAS, Declarant desires to establish a Homeowners' Association to provide for the control, as well as maintenance of common areas for the benefit of certain lot owners within the Property;

NOW, THEREFORE, Declarant by the execution and recording of this document, hereby declares that all Property described in the attached Exhibit "A" shall be held, occupied, sold, and conveyed subject to the Covenants and Restrictions set forth herein.

ARTICLE I.
Definitions

Section 1. "**Association**" shall mean the Bridge Creek Homeowners' Association, a non-profit corporation organized pursuant to the Revised Iowa Nonprofit Corporation Act, as well as any of its successors or assigns. The Articles of Incorporation and the Bylaws of the Association are hereby incorporated by reference in this Declaration.

Section 2. **“Board of Directors”** shall mean the Board of Directors of the Association.

Section 3. **“City”** shall mean the City of Grimes, Iowa, a municipal corporation.

Section 4. **“Common Areas”** shall mean all property, real or personal, together with improvements thereon, which are owned, leased, held, or maintained by the Association for the common use and enjoyment of the Owners, including open spaces established by easement, landscaping buffer easement or conservation easements over Zones 3, 4 and 5 as identified on the Plat of the Property filed with the Recorder of Polk County, Iowa, as well as sprinkler systems within landscaping buffer easements and entrance feature signs, special street or decorative lighting, landscaping features, and other amenities for the common good of Lot Owners as determined by the Association.

Section 5. **“Declarant”** shall mean Bridge Creek, L.L.C., as well as any of its successors and assigns.

Section 6. **“Declaration”** shall mean this Declaration of Covenants to which the Property is subject.

Section 7. **“Lot”** or **“Lots”** shall mean the platted Lots or other Lots within the Property except for dedicated public streets or other parcels owned by the City. Lots having an **“A”** designation shall be considered as part of the adjoining numeric designated Lot. For example, Lot 6 and Lot 6A shall be considered as one consolidated Lot for voting and assessment purposes. Furthermore, the **“A”** Lot may not be conveyed separately, but must be conveyed together with the adjoining Lot.

Section 8. **“Member”** shall mean those persons entitled to membership in the Association as provided in this Declaration and the Articles of Incorporation and Bylaws of the Association.

Section 9. **“Owner”** shall mean the record titleholder, as disclosed by the records of the Polk County Recorder, whether one or more persons or entities, of a fee simple title to each of the above-described Lots and shall also include vendees pursuant to an Installment Real Estate Contract. This term shall not include those persons having an interest in any Lot as a vendor under an Installment Real Estate Contract or those persons having an interest solely for security purposes in the performance of an obligation or debt. The term also excludes those persons having a lien against any Lot by operation of law or otherwise.

Section 10. **“Property”** shall mean the real estate described in Exhibit **“A”** and any and all improvements thereon, but shall exclude any portion thereof which has been conveyed, dedicated or granted to the City now or in the future.

ARTICLE II.
Common Areas

Section 1. Common Areas. The contemplated boundaries of the Common Areas or open spaces are described in the Plat of Bridge Creek. The location, boundaries and configuration of the Common Areas or open spaces may be modified by Declarant or the Association in their sole discretion to accommodate development of the Property and to comply with requirements of the City.

Section 2. Obligations of Association. The Association shall be responsible for all Common Areas and open spaces and shall be responsible for the management and control of the Common Areas and open spaces except for the bike and pedestrian trail extending through the Property which shall be maintained by the City of Grimes for the benefit of the public. The Association's obligations under this section are solely for the exclusive benefit of the Owners and these obligations are not intended to and do not extend to any third party. Upon relinquishment of voting control by Declarant, the Association shall continue to keep and maintain the Common Areas and open spaces in as good a condition as when Declarant was the sole voting member.

Section 3. Owners' Easements. Every Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Areas and open spaces subject to the terms of this Declaration and subject to any reasonable Rules and Regulations or Bylaws which may be enacted at any time by the Association. This right and easement of enjoyment shall be appurtenant to the title of every Lot and shall pass with the title and run with the land in any conveyance, subject to the following limitations and limitations set forth elsewhere in this Declaration.

- A. Subject to the requirements of the Revised Iowa Non-Profit Corporation Act regarding notice and due process, the Association shall have the right to suspend the voting rights of any Owner for the period during which any assessment under this Declaration against his or her Lot remains unpaid or for any period during which the Owner is in violation of any published Rules and Regulations of the Association or Bylaws;
- B. The Association shall have the right to dedicate and transfer any or all parts of the Common Areas to any municipality, county or governmental subdivision. The governmental entity must also approve of any dedication and transfer. In addition, the Association shall obtain the prior approval of two-thirds (2/3) of the Members who are present and qualified to vote at any regular or special meeting of the Association regardless of when the transfer or dedication takes place. If the transfer or conveyance is merely for the purpose of granting an easement to locate a utility, water line, sewer, pedestrian and bike trail or other similar public facility, the Board of Directors shall have a right to convey the easement without the approval of the Members;

- C. Declarant shall have the right at no cost to designate, establish, grant, dedicate, install, or maintain utility, sewer or drainage easements or lines under, across, over, and through the Common Areas or open space at any time;
- D. The Association shall have the right to promulgate reasonable Rules and Regulations concerning the Common Areas and open spaces; and,
- E. The Association shall not have the right to mortgage, grant a deed of trust or encumber any of the Common Areas or open spaces.

Section 4. Use of Common Areas. The Common Areas and open spaces shall be used strictly in accordance with the provisions of this Declaration, as well as the Bylaws, Rules and Regulations promulgated by the Association. No Owner or any other person shall obstruct or interfere with the rights and privileges of other Owners or the Association in the Common Areas or open spaces. Nothing shall be planted on, altered on, constructed on, or removed from the Common Areas or open spaces (and no fences shall be allowed) by any person except by prior written consent of the Board of Directors of the Association. If an Owner violates this section, the Association shall have the right to repair or restore the Common Areas or open spaces to their prior condition and assess the costs thereof against the Lot of the Owner who violates this Section. The cost shall become a special assessment and a lien upon the Lot of the Owner and shall become due and payable upon demand. The Association shall have the same rights and powers to collect the cost of repair and restoration as it has for the collection of delinquent assessments under Article IV below. If an Owner interferes with the rights and privileges of another Owner in the use of the Common Areas or open spaces, the Association or the offended Owner may in addition commence a legal action to enjoin the interference or bring other legal action seeking damages. If the Association or offended Owner prevails, they shall also be entitled to recover reasonable attorney fees and costs associated with the action.

Section 5. Duration. Unless the Common Areas are conveyed to a municipality or other governmental authority, as described in Article II, Section 3, paragraph B, the ownership, or maintenance responsibility, as the case may be, of the Common Areas shall remain in the Association in perpetuity.

ARTICLE III.

Membership and Voting Rights in the Association

Section 1. Membership. Every Owner of a Lot shall automatically be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Ownership of a Lot shall be the sole qualification for membership.

Section 2. Voting Rights. Each person who is a record owner of a fee or undivided fee interest or contract buyer of any lot which is subject to the above-described Homeowners' Association Declaration shall automatically be a Member of the Association in the classes set forth below. The acceptance of a deed or other conveyance or installment real estate contract for any such lot shall be deemed to be that lot owner's consent or affirmative action evidencing

consent to become a Member of the Association. Bridge Creek, L.L.C., which is the owner of the Property, or its successor in interest or assignee, shall be a Class "A" Member of the Association and shall be the sole voting Member of the Association until such time as Bridge Creek, L.L.C., or its successor in interest or assignee, no longer owns any land within the Property described in the Declaration of Homeowners' Association or until Bridge Creek, L.L.C., or its successor in interest or assignee, waives its right in writing to be the sole voting Member of the Association and during the time that Bridge Creek, L.L.C. is the sole voting Member it shall have the right to elect all Directors of the Association. All other members shall be Class "B" members and shall not have any such voting rights. After Bridge Creek, L.L.C. or its successor in interest or assigns, no longer owns any Lot in the Property or waives its right to be the sole voting Member, all Members shall automatically convert to Class "A" Members and have full voting rights as established in the Declaration of Homeowners' Association, as amended from time to time, regarding the affairs of the Association, including election of Directors. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Association.

Section 3. Board of Directors. The Owners entitled to vote shall elect a Board of Directors of the Association as prescribed in its Bylaws. The Board of Directors shall manage the affairs of the Association.

ARTICLE IV.

Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of a Lot by acceptance of a deed, contract or other conveyance therefore, whether or not it shall be so expressed in the conveying documents, shall be deemed to accept all the terms of this Declaration and shall also be deemed to covenant and agree to pay the Association:

- A. Periodic assessments or charges as determined by the Board of Directors of the Association;
- B. Special assessments for capital improvements, operating deficits or other extraordinary expenses; and,
- C. Any other assessment provided in this Declaration.

All unpaid assessments, together with interest, costs and reasonable attorney fees incurred in collecting the assessments, shall be a charge and encumbrance on the defaulting Owner's Lot and shall be paramount to and prior to all other liens on the Lot, except only tax liens on the Lot in favor of any assessing governmental unit or district and except for a lien of any first mortgage of record against the Lot filed prior to the time the assessment became delinquent. The assessment, together with interest, costs and reasonable attorney fees, shall also be a personal obligation of the defaulting Owner of the Lot at the time when the assessment becomes due. All

assessments and charges under this Declaration shall be due even though Declarant is the sole voting member of the Association as described above in Article III.

Section 2. Purposes of Assessments. The assessments levied by the Association shall be used to maintain the Common Areas. They shall also be used for the repair or improvement of the Common Areas or any improvements thereto and for other purposes specifically provided herein, as well as the Association Bylaws, including, but not limited to, payment of legal liabilities, taxes, fees, costs, debts, or obligations of the Association, payment of insurance premiums, and payment of all costs, fees payable to a professional management firm, expenses, fees, including accounting fees or attorney fees in connection with the operation of the Association, as well as the defense or prosecution of any legal action.

Section 3. Special Assessments for Capital Improvements and Operating Deficits. In addition to the monthly assessments authorized above, the Association shall have the authority to levy special assessments if deemed necessary by the Board of Directors of the Association to finance or perform any of the Association's obligations under this Declaration. Furthermore, the Association may levy a special assessment in addition to the monthly assessments for the purpose of paying, in whole or in part, the cost of any construction of a capital improvement not required of the Association under this Declaration or other discretionary expenditure. No special assessment described in this paragraph shall be levied unless a majority of the Members entitled to vote and present at a regular or special meeting approve the Special Assessment. So long as Declarant is the sole voting member of the Association, no special assessment shall be levied for any capital improvement which would be considered the usual and customary responsibility of a developer.

Section 4. Monthly Assessment. From the date hereof until December 31, 2008, the maximum monthly assessment for each Lot shall not exceed \$70.00 plus applicable interest and penalty for late payment, if any, plus any assessment for insurance as set forth in Section 3 of Article VII. After December 31, 2008, the monthly maximum assessment may be increased as follows:

- A. The maximum assessment may be increased effective January 1, 2009, and January 1 of each year thereafter by not more than ten percent (10%) of the actual monthly assessment of the previous year, or not more than ten percent (10%) of what the maximum monthly assessment could have been for each of the previous years (even if no increase was actually assessed), which increase may be imposed without any vote of the Membership. The Board of Directors shall have sole authority to make this permitted increase.
- B. The monthly maximum assessment may be increased in excess of that permitted in Paragraph A above by a majority vote of the Members who are present and entitled to vote at a regular meeting or special meeting of the Association called for that purpose.

Section 5. Due Dates of Monthly Assessments. The monthly assessment shall be due beginning sixty (60) days after closing on any Lot conveyed by the Declarant to an Owner regardless of whether or not a living unit or building has been constructed on the Lot. Thereafter, the assessment shall be paid monthly even if the Lot is vacant or even if there is a living unit or building on the Lot which is not occupied. Upon request, the Association shall furnish a Certificate in recordable form signed by an officer of the Association, setting forth whether or not the assessments on a specific Lot have been paid. A properly executed Certificate from the Association shall be binding upon the Association as to the status of assessments as of the date of its issuance and may be relied upon by the public, including any prospective new buyer or lending institution. Although assessments are computed on a monthly basis, the Board of Directors of the Association may in its discretion invoice members at intervals other than monthly.

Section 6. Effect of Nonpayment of Assessments, Remedies of the Association. Any assessment not paid within thirty (30) days after the due date, shall bear interest from the due date at the highest rate allowed by Iowa law unless the Board of Directors establishes a lower rate of interest and, in addition, the delinquent Owner shall pay a late payment penalty as determined by the Board of Directors pursuant to the Association Bylaws. The Association may bring an action for damages or injunctive relief, or both, against the Owner personally obligated to pay the same or may foreclose the lien against the Lot in the manner provided for foreclosure of a mortgage under Iowa law, or both. There shall be added to the amount of assessment the cost of making title searches, lien searches and mortgage searches against the Lot, the cost of preparing and filing the Petition in such action, including reasonable attorney fees and costs. No Owner or other person may waive or otherwise escape liability for the assessments provided in this Declaration by virtue of non-use of the Common Areas or abandonment of his or her Lot or for any other reason.

Section 7. Subordination of Assessment Liens. If any Lot subject to a lien created by this Declaration shall be subject to the lien of a first mortgage of record, the following shall apply:

- A. The foreclosure of any lien created by this Declaration shall not operate to affect or impair the lien of any first mortgage; and
- B. The foreclosure of the first mortgage or any acceptance of a deed in lieu of foreclosure on any first mortgage shall operate to extinguish the lien of all assessments which came due after the first mortgage was filed to the date of a mortgage foreclosure decree or deed in lieu of foreclosure without the necessity of joining the Association as a defendant in the foreclosure action. Any unpaid assessments so extinguished by foreclosure or a deed in lieu of foreclosure shall be deemed to be an expense of the Association. This shall not extinguish the Association's right; however, to attempt collection of said sums from the defaulting Owner personally.

ARTICLE V.
Maintenance and Management

Section 1. Maintenance of Common Areas. The Association shall be solely responsible for the maintenance and repairs to all Common Areas except for the bike and pedestrian trail extending through the Property which shall be maintained by the City of Grimes for the benefit of the public.

Section 2. Access. In addition to any easements of record, including easements appearing on a recorded plat, the Association and its agents, employees or contractors shall have the right of reasonable access, through and across land and lots adjacent to any Common Areas for the purpose of maintenance, repair, construction, or reconstruction within the Common Areas.

ARTICLE VI.
Insurance

Section 1. Casualty Insurance. The Association may purchase a comprehensive casualty insurance policy affording fire, property damage and extended coverage insurance for those properties and equipment which are the responsibility of the Association in an amount sufficient to replace the insured property or vehicle if such a replacement policy is reasonably available.

Section 2. Liability Insurance. The Association may also purchase a general comprehensive public liability insurance policy in such amount as the Board of Directors shall deem appropriate. The policy shall cover the Association, its Board of Directors, any committee of the Association, and all persons acting as agents or employees of the Association. The Association shall also be authorized at its discretion to maintain such other additional insurance as it deems necessary, including, but not limited to, directors' and officers' liability insurance and workers' compensation insurance.

Section 3. Assessment for Insurance. The premiums for any insurance maintained by the Association may become a separate monthly assessment over and above the assessments described above in Article IV of this Declaration, which assessments shall be made on a pro rata basis per lot and shall be included in the monthly assessment. The assessment for insurance shall not be subject to the limitation described above in Article IV, Section 4 regarding annual increases.

ARTICLE VII.
Easements and Covenants, Duration, Miscellaneous

Section 1. Drainage, Utility and Sewer Easements. Declarant shall have the right to reserve and dedicate certain areas within the Common Areas for drainage, overland water flowage, utility and sewer easements, now and in the future. No improvements or structures

(excluding walkways, driveways and fences) shall be placed within these easements. Any fences, improvements or structures installed over easements shall be expressly subject to the rights of any public or private utility to construct, maintain or repair the utility, including the right to remove the fence, improvement or structure where reasonably necessary without the duty of replacement or reimbursement.

Section 2. Covenants. The Association shall have the non-exclusive authority to enforce all use restrictions, building specifications, covenants and conservation easements filed by Declarant regarding any land now and in the future which is made subject to this Declaration. Said use restrictions, building specifications and covenants shall automatically be incorporated herein as to the Lots to which they apply.

Section 3. Terms, Gender. Words and phrases herein, including acknowledgment hereof, shall be construed as in the singular or plural number, and as masculine or feminine gender, according to the context.

Section 4. Duration. This Declaration shall remain in full force and effect as long as there are any Common Areas within the Property which have not been dedicated to the City or other governmental authority. If all Common Areas have been dedicated to the City or other governmental authority, this Declaration may be terminated by the Association filing a Notice of Termination with the Polk County Recorder. The Homeowners' Association is hereby designated and appointed as attorney in fact to file any extensions of this Declaration or notices thereof which may be required by the Code of Iowa.

Section 5. Delays in Enforcement. No delay on the part of the Association or any owner of land to which this Declaration applies in exercising any rights, power or remedy herein allowed shall be construed as a waiver or acquiescence therein. No right, claim or action shall accrue to and no action or claim shall be brought or maintained by anyone against Declarant, or any officer, employee or agent thereof on account of any action or inaction under this Declaration.

Section 6. Severability. In the event that any one or more of the terms or conditions of this Declaration shall be declared for any reason, by a court of competent jurisdiction, to be null and void, such judgment or decree shall in no way affect, modify, change, abrogate, or nullify any of the remaining Covenants, Conditions, Restrictions, or terms not so expressly held to be void and the remaining parts of this Declaration shall remain in full force and effect.

Section 7. Reasonable Period for Enforcement. If any of the terms or conditions of this Declaration shall be held by a court of competent jurisdiction to be void or unenforceable by reason of the period of time herein stated for which the Declaration may be effective, such terms shall be reduced to a reasonable period of time which shall not violate the rule against perpetuities as set forth in the laws of the State of Iowa or other applicable law, all as determined by the court.

Section 8. Assignment. Declarant shall have the absolute right to transfer, convey or assign any or all of its right, title and interest hereunder to any successor in interest or assignee

CONSENT BY MORTGAGEE

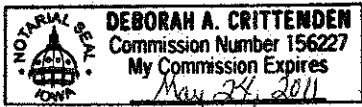
COMES NOW the undersigned, Valley Bank, which is the mortgagee regarding the real estate described in the foregoing Covenants, Conditions and Restrictions, and hereby consents to said Covenants, Conditions and Restrictions. Any enforcement action by Valley Bank, as mortgagee, shall in no way extinguish said Covenants, Conditions and Restrictions. The mortgage held by Valley Bank, dated December 15, 2006, was filed December 21, 2006, in Book 12002, at Page 595, in the records of the Recorder of Polk County; and there is a second mortgage to Valley Bank, dated December 15, 2006, and filed December 21, 2006, in Book 12002, at Page 605, in the records of the Recorder of Polk County.

VALLEY BANK

By W. J. Duma
Title Market President
Date May 29, 2008

STATE OF IOWA)
) ss:
COUNTY OF POLK)

On this 27th day of May, 2008, before me, the undersigned a Notary Public in and for the State of Iowa, personally appeared, Jeffery D. Damman, to me personally known, who being by me duly sworn, did say that he is the Market President of the corporation executing the within and foregoing instrument, that no seal has been procured by the corporation; that the instrument was signed on behalf of the corporation by authority of its Board of Directors; and that Jeffery D. Damman, as officer, acknowledged the execution of the foregoing instrument to be the voluntary act and deed of the corporation, by it and by him voluntarily executed.



Deborah A. Crittenden
Notary Public in and for the State of Iowa

EXHIBIT "A"

Lots 1 through 28 Bridge Creek Plat 1, an Official Plat, now included in and forming a part of the City of Grimes, Polk County, Iowa.

BYLAWS
OF
BRIDGE CREEK HOMEOWNERS' ASSOCIATION

ARTICLE I.
Definitions

Section 1. "**Association**" shall mean the Bridge Creek Homeowners' Association, a non-profit corporation organized pursuant to the Revised Iowa Nonprofit Corporation Act, as well as any of its successors or assigns. The Articles of Incorporation of the Association are hereby incorporated by reference.

Section 2. "**Board of Directors**" shall mean the Board of Directors of the Association.

Section 3. "**City**" shall mean the City of Grimes, Iowa, a municipal corporation.

Section 4. "**Common Areas**" shall mean all property, real or personal, together with improvements thereon, which are owned, leased, held or maintained by the Association for the common use and enjoyment of the Owners. The term shall also include the common facilities, including, but not limited to, equipment, trees, shrubs, walkways, walls, fences, lakes and irrigation systems in or on the Common Areas, as well as all fixtures maintained on City right of way or in easement areas by the Association such as non-standard lights, walls and entry features, if any, and medians or islands within City right of way maintained by the Association.

Section 5. "**Declarant**" shall mean Bridge Creek, L.L.C., as well as any of its successors and assigns.

Section 6. "**Declaration**" shall mean the Declaration of Homeowners' Association for Bridge Creek filed with the Polk County Recorder and which is incorporated herein by reference.

Section 7. "**Lot**" shall mean any platted lot or subdivisions thereof contained in any plat or replats of the Property made and recorded with the Polk County Auditor in accordance with the subdivision statutes of the State of Iowa and ordinances of the City as they presently exist or as they may be amended in the future.

Section 8. "**Member**" shall mean those persons entitled to membership in the Association as provided in the Declaration and the Articles of Incorporation and these Bylaws.

Section 9. "**Owner**" shall mean the record titleholder, as disclosed by the records of the Polk County Recorder, whether one or more persons or entities, of a fee simple title to any Lot and shall also include vendees pursuant to an Installment Real Estate Contract. This term shall not include those persons having an interest in any Lot as a vendor under an Installment Real Estate Contract or those persons having an interest solely for security purposes in the performance of an obligation or debt. The term also excludes those persons having a lien against any Lot by operation of law or otherwise. Furthermore, the term shall not be construed to

include the City, State of Iowa, or any other governmental entity as to any Lot or right of way owned by it.

Section 10. ***“Property”*** shall mean the real estate described in Exhibit “A” attached to the Declaration and any and all improvements thereon, but shall exclude any portion thereof which has been conveyed, dedicated or granted to the City now or in the future. The real estate described in said Exhibit “A” is sometimes also referred to as “Bridge Creek”. Any part of the Property conveyed now or in the future to the City, the State of Iowa, or any other governmental entity shall be free and clear of all obligations set forth in the Declaration; provided; however, that the Association, at its discretion, may provide maintenance, including mowing, for any portion of the Property dedicated to the City for right of way, such as the grassy area of boulevards or traffic islands, and the costs shall be included in the assessments described in Article IV of the Declaration.

ARTICLE II. Property Rights

Section 1. Each Member shall be entitled to the use and enjoyment of the Common Area as provided in the Declaration, subject to the rules and regulations of the Association.

Section 2. Any Owner may delegate, in accordance with the Bylaws, and the Association’s rules and regulations, his or her right of enjoyment to the Common Area and the facilities to the immediate members of his or her family or lawful tenants who reside on the Property.

ARTICLE III. Membership and Voting Rights

The membership and voting rights in the Association shall be governed by the provisions contained in the Declaration and Articles of Incorporation for the Association.

ARTICLE IV. Covenant for Maintenance Assessments

The maintenance assessments and other assessments and the provisions relating thereto shall be governed by the provisions contained in the Declaration. Declarant may, but shall not be obligated to, loan sums of money to the Association to help offset any shortfall in revenue during the initial development of the Property.

ARTICLE V. Meeting of Members

Section 1. Annual Meetings. The first annual meeting of the Members shall be held on the first Monday in February, 2009, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter unless a different annual meeting date is established by the Board of Directors of the Association by resolution.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors.

Section 3. Notice of Meetings. Written notice stating the place, date and hour of any annual or special meeting of the Members, shall be given to each Member not less than ten (10) days nor more than fifty (50) days before the date of the meeting, either personally or by ordinary United States Mail. If mailed, the notice shall be deemed to be delivered when deposited in the United States Mail addressed to the Member at his or her address as it appears on the records of the Association, with postage thereon prepaid.

Section 4. Quorum. The presence at the meeting of forty percent (40%) of the Members entitled to vote or present by proxy shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, a quorum shall not be present at any meeting, the Members entitled to vote shall have power to adjourn the meeting to another time without further notice other than announcement at the meeting.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary prior to the meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Lot. All proxies shall automatically expire ninety (90) days after the date of execution. Filing of a proxy shall count as the presence of a Member for the purposes of establishing a quorum. The form of the proxy shall be designated by the Board of Directors.

ARTICLE VI.

Board of Directors – Selection – Term of Office

Section 1. Number. The management and affairs of the Association shall be managed by a Board of three (3) Directors, who need not be Members of the Association. The initial Board shall consist of those persons designated in the Articles of Incorporation. Thereafter, the Board shall be selected as set forth in Section 2 of this Article.

Section 2. Term of Office. At the first annual meeting, the Members entitled to vote shall select at least one (1) Director for a term of one (1) year, one (1) Director for a term of two (2) years, and one (1) Director for a term of three (3) years. At each annual meeting thereafter, the Members entitled to vote shall fill vacancies by electing Board Members for a term of three (3) years; provided, however, that the Board by resolution shall have the authority to reduce the terms of future Board Members if it becomes necessary to balance the terms of Board Members so that a large number of Board seats do not become vacant at any one time. So long as Declarant remains the sole voting member of the Association pursuant to the Articles of Incorporation of the Association and the Declaration, Declarant shall elect all Board Members.

Section 3. Removal. Any Director may be removed from the Board at any time, with or without cause, by a majority vote of the Members of the Association entitled to vote. In the event of the death, resignation or removal of a Director, the successor shall be selected by the remaining Board Members and shall serve for the unexpired term of his or her predecessor.

Section 4. Compensation. No Director shall receive compensation for serving on the Board; however, a Director may be reimbursed for actual expenses incurred in the performance of duties.

Section 5. Action Taken Without Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 6. Number of Directors. The number of Directors may be changed by the Board of amendment of these Bylaws, but not in a manner inconsistent with the Articles of Incorporation. The Board may also designate persons to serve in an ex-officio capacity without vote on the Board.

ARTICLE VII Nomination and Election of Directors

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee as approved by the Board. Nominations may also be made from the floor at the annual meeting after such time as Declarant is no longer the sole voting Member. The Nominating Committee shall be appointed by the President of the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Nominations may be made from among Members or nonmembers.

Section 2. Election. Election to the Board of Directors shall be by secret, written ballot. At the election, the Members or their proxies may cast as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation and Declaration. The person receiving the largest number of votes for a vacancy shall be elected to the Board.

ARTICLE VIII Meeting of Directors

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at such place and hour as may be fixed from time to time by resolution of the Board or by the Board President.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the Board President, Vice President or Secretary, after not less than two (2) days' notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of Directors present in person at a duly held meeting at which a quorum is present shall be regarded as the act

of the Board except for any amendments to these Bylaws which shall require a two-thirds vote of the Board of Directors present in person.

Section 4. Waiver or Consent. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held shall be as valid as though made at a meeting duly held if, either before or after the meeting, each of the Directors not present signs a written Waiver of Notice, or a Consent to the holding of such meeting, or an approval of the Minutes thereof. All such Waivers, Consents or Approvals shall be filed with the corporate records and made part of the Minutes of the meeting. Presence of a Board Member at a meeting shall constitute an automatic waiver of notice and consent to the meeting unless the Board Member is present for the purpose of protesting the lack of notice or other irregularity in the meeting.

ARTICLE IX.

Powers and Duties of the Board of Directors

Section 1. Powers. The Board of Directors shall have power to:

- A. Adopt any rules and regulations to carry out the intent of the Declaration and these Bylaws and to establish penalties for the infraction thereof.
- B. Suspend the voting rights of a Member and suspend a Member's rights to use the common areas of the Association during any period in which a Member shall be in default in the payment of any assessment levied by the Association, provided; however, that reasonable notice shall be given to the Member and the Member shall be given a right to be heard by the Board subject to rules and regulations established by the Board.
- C. Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the Membership by other provisions of these Bylaws, the Articles of Incorporation or the Declaration.
- D. Declare the office of a Member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive, regular meetings of the Board of Directors without the approval of the Board.
- E. Employ managers, contractors, employees, agents, accountants, and attorneys as deemed necessary, and to prescribe their duties.
- F. Do all things permitted by the Declaration, as well as the Revised Iowa Nonprofit Corporation Act.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- A. Cause to be kept a complete record of all its acts and corporate affairs and to present a summary thereof to the Members at the Annual Meeting of the Members.

- B. Supervise all officers, contractors, agents, and employees of the Association and to see that their duties are properly performed.
- C. As more fully provided in the Declaration, to:
 - 1) Fix the amount of the assessments against each Lot consistent with the Declaration;
 - 2) Send written notice of each assessment to every Owner subject thereto; and,
 - 3) Foreclose the lien against any property for which assessments are not timely paid or to bring an action at law against the Owner personally obligated to pay the same.
- D. Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, the certificate shall be conclusive evidence of payment.
- E. Procure and maintain adequate liability and property insurance if deemed necessary by the Board.
- F. Cause all officers or employees having fiscal responsibilities to be bonded, if the Board deems appropriate with the cost to be borne by the Association.
- G. Cause the Common Areas to be maintained in a condition at least equal to that condition when received from Declarant.
- H. Do all things required to be done by the Declaration.

ARTICLE X.
Officers and Their Duties

Section 1. Enumeration of Offices. The officers of the Association shall be a President and a Vice President, as well as a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create, all of whom shall be members of the Board of Directors.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each Annual Meeting of the Members.

Section 3. Term. The officers of the Association shall be elected annually by the Board and shall hold office until the next annual election of officers unless they shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board by resolution may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board by a majority vote. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. The resignation shall take effect on the date of receipt of the notice or at any later time specified therein. Acceptance of the resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The person appointed to fill the vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 7. Multiple Offices. No person shall simultaneously hold more than one office except in the case of special offices created pursuant to Section 4 of this Article and except for the offices of Secretary and Treasurer which may be held by the same person.

Section 8. Duties. The duties of the officers are as follows:

A. President.

The President shall preside at all meetings of the Board of Directors and the annual meeting of the Members. The President shall see that orders and resolutions of the Board are carried out. The President or the duly designated manager or agent for the Association shall sign all leases, mortgages, deeds, and other written instruments.

B. Vice President.

The Vice President shall act in the place and stead of the President in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

C. Secretary.

The Secretary shall record the votes and keep the Minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association, together with their addresses, and shall perform such other duties as required by the Board.

D. Treasurer.

The Treasurer or the duly designated manager or agent for the Association shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the

Board of Directors. The Treasurer or the duly designated manager or agent for the Association shall sign all checks and promissory notes of the Association; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of the budget and statement to each of the Members.

ARTICLE XI.
Books and Records

The books, records and papers of the Association shall at all times, be subject to inspection by any Member during reasonable business hours. The Declaration, the Articles of Incorporation and Bylaws of the Association shall be available for inspection by any Member at the office of the Association or the duly designated manager or agent for the Association and copies may be purchased by Members at reasonable cost.

ARTICLE XII.
Assessments

As more fully provided in the Declaration, each Member is obligated to timely pay to the Association monthly and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due, shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the highest rate permitted by the law of the State of Iowa, but in no event to exceed twenty percent (20%). The Board shall determine the exact delinquency rate from time to time by resolution. In addition, a late payment penalty shall be paid in the amount of Twenty-five and No/100 Dollars (\$25.00). The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of the assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein and in the Declaration by non-use of the Common Area or abandonment of his or her Lot.

ARTICLE XIII.
Corporate Seal

The Association shall have no seal.

ARTICLE XIV.
Amendments

Section 1. Vote Required. These Bylaws may be amended at a regular or special meeting by a vote of two-thirds of the Board of Directors present in person.

Section 2. Conflict. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XV.
Fiscal Year

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XVI.
Liability

No Member of the Board of Directors of the Association shall be personally liable to the Corporation or its Members for money damages for any action taken, or any failure to take any action, as a Member of the Board of Directors, except liability for any of the following:

- (1) The amount of a financial benefit received by a director to which the director is not entitled.
- (2) An intentional infliction of harm on the corporation or its Members.
- (3) A violation of Section 504.834 of the Revised Iowa Nonprofit Corporation Act.
- (4) An intentional violation of criminal law.

The Corporation shall indemnify a Member of the Board of Directors for liability, as defined in Section 504.851, subsection 5, of the Revised Iowa Nonprofit Corporation Act, to a person for any action taken, or any failure to take any action, as a director except liability for any of the following:

- (1) Receipt of a financial benefit to which the person is not entitled.
- (2) Intentional infliction of harm on the corporation or its Members.
- (3) A violation of Section 504.834 of the Revised Iowa Nonprofit Corporation Act.
- (4) Intentional violation of criminal law.

ARTICLE XVII.
Robert's Rules of Order


In the conduct of any meeting of the Board of Directors or Members of the Association, the most recent edition of *Robert's Rules of Order* shall govern unless these Bylaws or the Articles of Incorporation provide for other requirements concerning a quorum, voting and other similar matters.


ARTICLE XVIII.
Terms, Gender

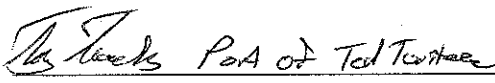
Words and phrases herein shall be construed as in the singular or plural number, and as masculine or feminine gender, according to the context. Whenever the masculine term "he" is used, it shall automatically include the feminine term "she".

Adopted this 28th day of May, 2008, by the Board of Directors of the Association.

BOARD OF DIRECTORS OF
BRIDGE CREEK
HOMEOWNERS' ASSOCIATION

By: 
Brad Baumler
Its: Director

By: 
Toby Torstenson
Its: Director

By:  Per A of Ted Torstenson
Ted Torstenson
Its: Director